

Your HSA Experience

Primrose Schools
Franchisee Cooperative
Alliance Inc

12.19.2025



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Plan Administrative Services and Benefit Services are administered by Webster Servicing LLC.



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HSA Bank Servicing Support



INTRODUCTIONS

Primrose Schools Franchisee
Cooperative Alliance Inc

HSA Bank

Overview of Health Savings Accounts (HSAs)



What is a Health Savings Account (HSA)?

Healthcare and retirement savings account with tax perks.

.....

Used to pay for IRS-qualified medical expenses not covered by insurance.

.....

Pairs with an HSA-compatible High-Deductible Health Plan (HDHP).

.....

Employee-owned and portable whether they change jobs or insurance — it's theirs for life!

.....

Has self-directed investment options.

.....

And there's no annual re-enrollment.

Who can open an HSA?

Those covered by an HSA-compatible health plan:

- 1 **Can't** be covered by any other non-HSA-compatible health plan.
- 2 **Can't** be claimed as a dependent on another person's tax return.
- 3 **Can't** be enrolled in Medicare.
- 4 **Can't** be covered by TriCare.
- 5 **Didn't** access VA medical benefits in the past 90 days.



Triple Tax Perks

Contributions

1

Can be deducted from paychecks before taxes or filed after as tax-deductible contributions

2

Earnings

Grow in the same tax-deferred way as IRAs.

3

Distributions

Are penalty and tax-free if used for qualified medical expenses. From age 65, distributions can be made for anything without penalty but are subject to regular income tax.

HSA IRS limits

2025

Single Plan

\$4,300

Family Plan

\$8,550

2026

Single Plan

\$4,400

Family Plan

\$8,750

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If you're 55 or older, you may be eligible to make a catch-up contribution of an extra

\$1,000

Per year beyond the normal maximum

Important HSA effective date rules

The HSA eligibility date is normally dependent on the HSA-compatible health plan effective date.

Scenario 1

1st of the month/same month eligibility requirements

If the HSA-compatible health plan is effective on 1/1, then HSA eligibility will be 1/1. If the health plan is effective 1/1 and we receive the enrollment prior to 1/1, the account will open on 1/1.

Scenario 2

Mid-month/next month eligibility requirements

If an employee's HSA-compatible health plan effective date is any date other than the 1st of the month, the IRS stipulates that HSA eligibility wouldn't be until the 1st day of the following month.*

Employer experience



BCBSTX sends the eligibility files

New enrollments received daily for employees enrolled in the HDHP with the Banking component. If your BCBSTX structure doesn't have an HDHP plan without a banking component, then all employees will have an account automatically opened at HSA Bank even if they had opted out of the HSA within your Ben Admin system.

Monthly account fees are assessed on all open HSAs, whether contributions are being made or not.

Terminations are also sent on the integrated file; you'll never need to enter these.



P.O. Box addresses

Physical addresses are **required** to open a Health Savings Account.

.....

Enrollment record will fail if a PO Box address is used as the street address on the demographic record.

.....

You will need to work with the employee to obtain physical address to open the Health Savings Account.



Customer Identification Program (CIP)

In accordance with the USA PATRIOT Act, HSA Bank is required to collect some basic information from all new accountholders. This information is used to validate the accountholder's identity.

If unable to verify an accountholder's identity, HSA Bank will contact them to obtain additional forms of identification. Those accountholders must submit copies of the following within 90 days of account setup:

- Social Security Card
- U.S. government-issued photo ID, such as a driver's license, passport, or visa, or a state-issued ID card (Note: If the U.S. government-issued photo ID does not display a current address, a recent utility bill displaying the current address will also be needed)

Identification can be submitted to HSA Bank by using one of the following methods:

- Secure document upload
- Email: hsaforms@hsabank.com
- Fax (Please copy these forms at 200% before faxing): 877-851-7041
- Mail: HSA Bank, P.O. Box 939, Sheboygan, WI 53082

All documents must be legible

Tips to reduce CIP failure

1

Ensure that your records are up to date and the enrollment information is correct when you send it to your Health Plan or HSA Bank.

2

Monitor the HSA All Accounts report to proactively identify employees that have not passed CIP.

3

Educate your employees about the CIP process and encourage them to respond in a timely manner.

How to monitor CIP - HSA all account report

First Name	MI	Last Name	Masked SSN	Identifier	Division	Branch Code	Account Status	Employment Status	Employment Status Effective Date	Current HDHP Coverage	Account Effective Date
JOHN		DOE	1946	999999999	1		Open	Active	3/27/2000	Family	7/1/2022
JANE		SAMPLE 	1181	999999991	2		Pending	Active	1/5/2022	Family	8/1/2022

CIP Start Date	Has Passed CIP	CIP Aged Days	Date CIP Passed	Account Closed Date	Latest Debit Card Mail Date	Last Payroll Funding Date
6/10/2022	Yes		6/10/2022		6/14/2022	7/22/2022
7/15/2022	Yes		7/15/2022		7/18/2022	

CIP failure communication

5 days

Letter sent via mail to account holder after enrollment processes.

22 days

If unresolved, a 2nd letter sent via mail to account holder after the enrollment processes.

hsabank.com/CIPFAQ



October 11, 2024

«First_Name» «Last_Name»
«AddressLine1» «AddressLine2»
«City», «State» «Zip»

Hello «First_Name»,

Thank you for applying for a Health Savings Account (HSA) with HSA Bank. You're one step away from completing your application for account <<ACCTNO>>.

The USA Patriot Act requires HSA Bank to verify our customers' identities. Please complete, sign and return the enclosed **Identification Verification Form** along with the required documentation. If we don't receive the documentation within «X» days, your HSA will be closed.

The completed form and required documentation can be submitted to HSA Bank via:

Online: Log in to your HSA, select Resources, and in the Secure Document Upload section, upload your documents.

Email: hsaforms@hsabank.com

Mail: HSA Bank, P.O. Box 939, Sheboygan, WI 53082

Call our Client Assistance Center 24/7 at 800-357-6246 if you have any questions.

Sincerely,

Member Services

HSA Bank



P.O. Box 939, Sheboygan, WI 53082-0939
605 N. 8th St., Suite 320, Sheboygan, WI 53081-4525
Tel: 800-357-6246 • Fax: 877-851-5274
hsabank.com • askus@hsabank.com

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CIP account closure: reopen process

Employees can reverse account closures due to CIP failure by providing 2 valid forms of ID and returning:

- HSA Verification Form
- HSA Application and Eligibility Form

Employees can contact our Client Assistance Center for questions or support

1

Secure document upload:
Member Portal

2

Email: HSAForms@hsabank.com

3

Fax: 877-851-7041
(Please copy documents at 200% prior to faxing)

4

Mail:
HSA Bank
P.O. Box 939
Sheboygan, WI 53082-0939

Note: Where to find - HSA Verification Form and HSA Application and Eligibility Form are located within the Member Website within Resources.

Returning verification documents

hsabank

Forms Learning Center Account Summaries Tax Documents **Secure Document Upload**

Document Upload Instructions
Securely upload forms and supporting documents.

Identity Verification

If you got a letter that said we need to verify your identity before we can open your HSA, upload a completed [Identification Verification Form](#) along with the required personal documentation.

Note: If you upload documentation that isn't an identification requirement, it won't process.

Drop your files here or [browse](#)
Maximum file size: 10 MB
Accepted file formats: .jpg, .jpeg, .png, .pdf
Maximum number of files: 5

SUBMIT

Administering Contributions

Choose the way YOU contribute

Group Online Contribution (GOC)

Upload an Excel file and we create an ACH into your bank for the funds.

ACH Pull

Direct Deposit

Set this up with your payroll vendor

ACH Push

Your Group Online Contribution experience

1

Day one

Schedule a one-time contribution or day of the week or month for recurring contribution schedule; day the system pulls contribution data.

2

Day two

We create the ACH and you get a report notification.

3

Day three

HSA Bank debits funds from an external company account and credit your employees' accounts.

Changing or cancelling GOC contributions

One-time contribution		
File uploaded date	Contribution date	Cutoff time for edits or cancellations
Today	Today	1 p.m. CST today
Today	Tomorrow	8 p.m. CST today
Today	Future Date	8 p.m. CST the day before the contribution date [date in the file or effective date when using the setup contribution wizard]
Recurring contribution		
Changes or cancellations must be completed by 1 p.m. CST on the effective date or frequency day selected.		

Call Business Relations to change or cancel contributions submitted by GOC.

HSA contributions: direct ACH (direct deposit)

- Direct ACH lets you use your current payroll vendor to make employee contributions
- Your vendor should update their NACHA file to code each contribution entry to appear with the appropriate transaction description on the Member Website
- We give you employee account numbers and routing number to complete setup



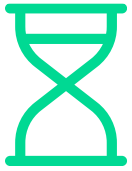
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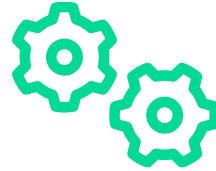


Direct ACH contributions (direct deposit)



Decision process

- Confirm that the payroll vendor can support this
- Consider the costs
- Ensure process/support for ongoing account number updates



Operational process

- Enrollments are loaded and accounts opened
- All account report with account number report generates
- You give payroll vendor ACH instructions and employee account numbers
- Payroll vendor sends funds and file



Benefits

- Contributions are incorporated into your direct deposit payroll processing; no additional funding process required
- Supports clear funding categorization of contributions as employer, employee pre-tax and employee post-tax for both the current and prior plan years

HSA contribution corrections

Common Issues

- Duplicate
- Incorrect amount withheld from paycheck
- Employee contributions transposed
- Contributions submitted after employment termination or eligibility change
- If the account isn't over the annual contribution limit, the employee can complete the *HSA Contribution Reversal Form*. Employer-requested corrections must also be signed by the employer.

The *HSA Contribution Reversal Form* is on the Employer Administration Site in the Tools → Resources section.

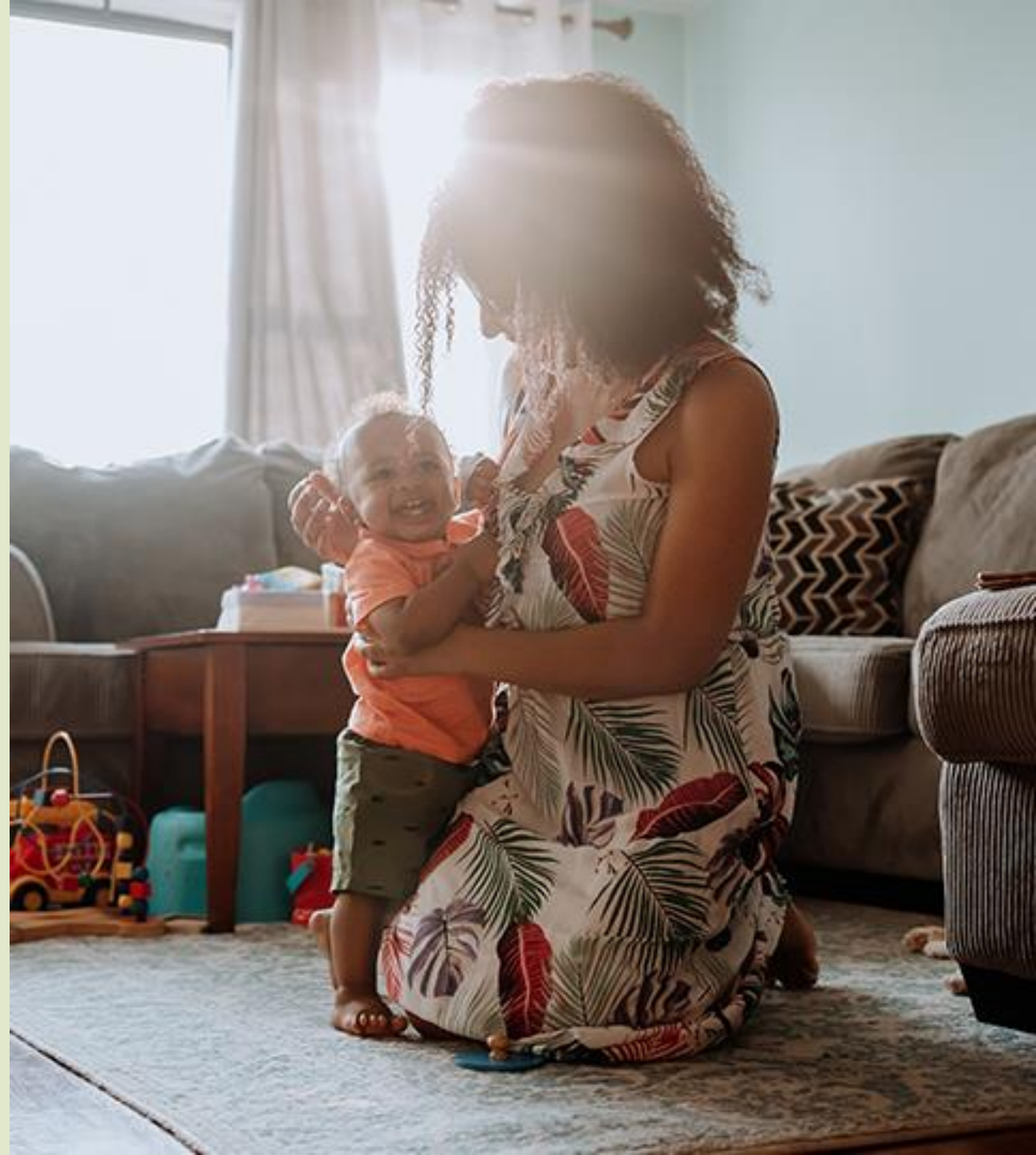




HSA contribution changes

- Payroll deduction amounts can change at any time, for any reason
- Payroll deduction changes can't be made through the Member Website, Mobile App or Client Assistance Center

Employee experience



Getting them started

We give your employees the tools and support to start, grow, and manage their HSA's.

Welcome kit

Includes welcome letter, product overview and FAQ for each plan the employee is enrolled in. HSA enrollees will receive their account number, Health Savings Account Fee and Interest Rate Schedule, and Privacy Opt-Out Notice. Mails in 5-7 business days.

Debit card

Mails approximately 7-10 business days after enrollment processing.

Member Website

24/7 account access. Employees can sign up at **enterprise.hsabank.com**

And more

HSA participants can designate a beneficiary, review contribution options, invest HSA funds, and find other FAQs. FSA participants can submit claims and view a list of common eligible expenses.

Designating a beneficiary

A beneficiary is a person or legal entity that has been designated to receive the proceeds from an HSA in the event of death.

- Allows employees to protect their HSA funds upon their death
- Beneficiary designation/management
- Reviews beneficiary designations

Note: Where to find - HSA Designation of Beneficiary Form is located within the Member Website within Resources



Adding an authorized signer

Employees can easily grant account access to another person

- Authorized signers have access to HSA funds and account information
- Must be over 18 years of age
- Debit card typically issued to authorized signer

Two ways employees can easily manage authorized signers

- Add online on the Member Website
- Call the Client Assistance Center

Fraud protection

Employees get red-flag email notifications when certain account changes are made

Account changes that trigger red-flag notifications:

- Address
- Phone number
- Email address

Our fraud team monitors transactions on all cards

- * Red-flag notifications for email address changes are sent to the new and old email addresses.
- * Members can contact Client Assistance Center to assist with red-flag holds.



The HSA Invest experience

Integrated experience

Fully manage investments alongside the HSA cash balance from the HSA Bank Member Website and app.

Immediate enrollment

Enrollment in HSA Invest at any time — even before meeting the investment balance threshold.

Personalized investment options

Three investment options offer greater personalization and address different risk tolerances and objectives.

Money remains in the HSA cash balance until it's invested, so it's available for IRS-qualified medical expenses.

Immediate funding, trading

When accountholders are ready to invest there's no lag time between selecting investments, and those buys being completed. And there's same-day trading.

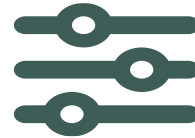
Plus, there's an auto funding feature, so new funds go directly to investments.

Personalized investment options



Choice

A brokerage experience with a large range of stocks, mutual funds and exchange-traded funds (ETFs).



Select

A recommended list of mutual funds specific to an investor's unique risk tolerance and investment objectives is provided based on a risk-tolerance questionnaire (RTQ).



Managed

Investments are fully managed by a registered investment advisor (RIA). Investors complete an RTQ, then the responses are used by the RIA to manage investments on an ongoing basis.

Ways your employees can contribute

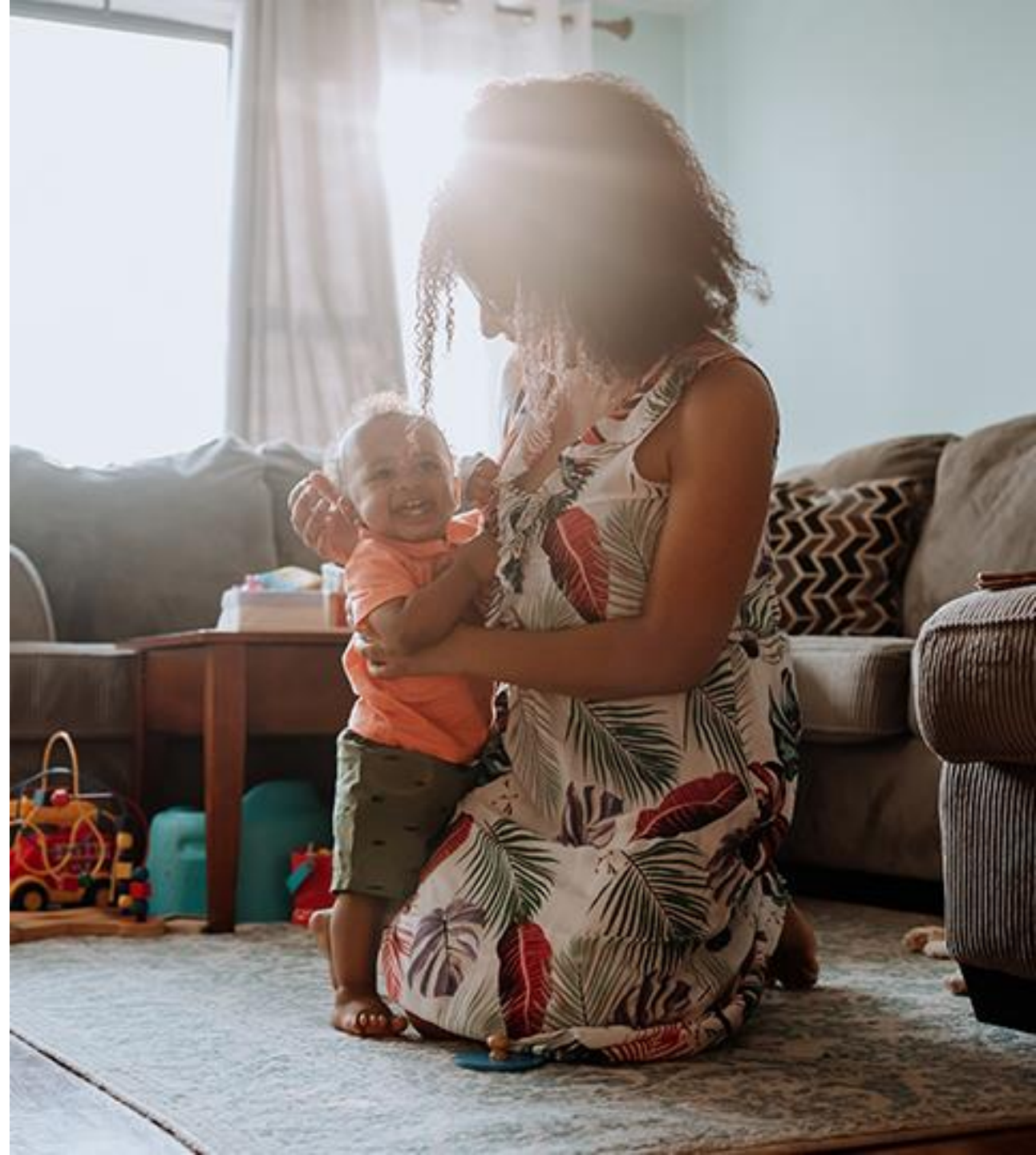
- Payroll deduction (*pre-tax*)
- Online transfer (*post-tax*)
- Personal check or money order (*post-tax*)
- HSA transfer from prior custodian
- Qualified HSA funding distribution (*one-time direct transfer from IRA*)



Note: The IRA rollover is allowed only once per lifetime and counts toward the annual contribution limit. It also follows the testing period rules to remain eligible for the HSA for the 12 months following the tax calendar year.

HSA transfer from prior custodian

Once employees accounts are active, they can complete the [Direct Transfer Request Form](#) and submit it to the custodian where their former HSA account resides. The custodian will transfer their remaining HSA funds directly to their new HSA Bank account.



Distribution options

Debit card

- Employees receive a debit card at the time of enrollment
- Payments are authorized at IIAS merchants
- Non-IIAS merchants must have a medical/healthcare Merchant Category Code (MCC)

Online transfers on the Member Website

- Employees establish and verify their external personal bank account
- There's no fee to transfer funds

Pay provider or request check reimbursement on the Member Website

- Employees create payee information (to a provider or to themselves)
- Employees' payment check is typically mailed within 72 hours of request

Claims exchange

Allows employees to opt-in to have claims from carrier sent to HSA Bank

Employees can pay claims directly from their member portal



Common IRS qualified medical expenses

- Acupuncture
- Ambulance
- Artificial limbs
- Artificial teeth*
- Birth control treatment
- Blood sugar test kits for diabetics
- Breast pumps and lactation supplies
- Chiropractor
- Contact lenses and solutions*
- COVID-19 diagnostic testing and treatment
- Crutches
- Dental treatments (including X-rays, cleanings, fillings, sealants, braces and tooth removals*)
- Doctor's office visits and co-pays
- Drug prescriptions
- Eyeglasses (Rx and reading)*
- Fluoride treatments*
- Feminine hygiene products
- Fertility enhancement (including in-vitro fertilization)
- Flu shots
- Guide dogs
- Hearing aids and batteries
- Infertility treatment
- Inpatient treatment at a therapeutic center for alcoholism or drug addiction
- Insulin
- Laboratory fees
- Laser eye surgery*
- Medical alert bracelet
- Medical records charges
- Midwife
- Occlusal guards to prevent teeth grinding
- Orthodontics*
- Orthotic Inserts (custom or off the shelf)
- Over-the-counter medicines and drugs (see more information below)
- Personal protective equipment (PPE) like masks and hand sanitizer
- Physical therapy
- Psychiatric care
- Psychoanalysis
- Psychologist
- Special education expenses that include tutoring for a child with learning disabilities caused by mental impairments (recommended by doctor)
- Speech therapy
- Stop-smoking programs (including nicotine gum or patches, if prescribed)
- Surgery, excluding cosmetic surgery
- Vaccines
- Vasectomy
- Vision exam*
- Walker, cane
- Wheelchair

hsabank.com/Learning-Center/IRS-qualified-medical-expenses

Distribution reversals

Funds can be reversed if they were mistakenly withdrawn for non-qualified expenses or refunded.

- We reprocess funds to their account without counting it as a contribution.
- The credit to the account will reduce the distribution total.

Note: Where to find - Distribution Reversal Form is located within the Member Website within Resources. Available in both electronic and check format.

The deadline to process distribution reversals is the tax filing deadline (without extensions) and are subject to a 20% excise tax.

Client Assistance Center and additional support

Phone: 855-731-5220

Email: askus@hsabank.com

Submitting Forms: hsaforms@hsabank.com

Educational materials, online tools,

and more: hsabank.com

Employee website: enterprise.hsabank.com



Resources

Onboarding materials and resources

HSA Bank videos

Share directly or run on a loop in the cafeteria to reach as many employees as possible

<https://www.youtube.com/user/HSABankMedia>

<https://vimeo.com/hsabank>

Flyers and presentations

Valuable, easy-to-understand information to give your employees during open enrollment

[Open Enrollment Employer Resource Center](#)

Calculators

[HSA Contribution Calculator](#)

[Health Plan Comparison Calculator](#)

For you

Resource Center with videos, flyers, guides, webinars, and more for both you and your employees

[Employer Resource Center](#)

For your employees

Welcome Kit and debit card, Member Website, HSA Bank Mobile App, and Client Assistance Center and online chat

[Member Portal Login](#)

Live HSA Bank educational webinars available for all employees to register and learn more on a variety of topics.

[HSA Bank Webinars](#)

Employer Administration Site

- enterprise.employeraccess.hsabank.com
- Manage/view contributions
- Generate/view reports



Accessing reports

The screenshot shows the HSA Bank dashboard. On the left, a sidebar menu includes 'Dashboard' (highlighted with a green bar), 'Manage employees' (highlighted with a red box), 'My program', 'Resources', and 'Settings'. Below these is a 'Client Service Manager' section. The main content area features a 'Prepare for CIP' section with a 'Help employees easily keep accounts open through Secure Document Upload' message and a 'LEARN HOW' link. Below this is a 'Program snapshot' section with tabs for 'HSA', 'FSA', 'HRA', 'Commuter', and 'Products'. The 'HSA' tab is active, showing 'HEALTH SAVINGS ACCOUNTS (HSA)' with four bars representing different categories. To the right of the snapshot is a 'Manage employees' section with a 'GO' button (highlighted with a red box) and a list of options: 'Contributions', 'Enrollment', 'Reports', and 'Employee Details'. On the far right, a vertical sidebar contains the HSA Bank logo and navigation links: 'Home', 'Imports', 'Reports' (highlighted with a red box), 'Employees', and 'Tools'.

The screenshot shows the 'Reports' section of the HSA Bank dashboard. At the top right is a '+ New report' button. Below this is a list of reports:

Report Name	Last Run	Action
Employer Fee Funding Notification View all fees to be funded on a specific date.	Last run May 8, 2023	>
HSA Account Detail View an overview of each consumer's HSA along with individual payroll deduction and...	Last run May 1, 2023	>
HSA All Account Report - Weekly Mon	Last run Mar 20, 2023	>
HSA All Account Report with Account Number - Weekly Mon	Last run May 22, 2023	>

HSA Bank Benefit Account Strategist

Your dedicated resource for optimizing your health benefits program by partnering with your benefits team on an annual basis to implement an education strategy for your employees, complete an annual program review call to share top opportunities to optimize your plan, and share new educational resources through quarterly email communication.

Your Benefit Account Strategist will contact you to schedule your review*.

**Must have 6 or more open accounts*



Next steps



Execute any additional forms



Load enrollments



Debit card and Welcome Kits mailed



Fund accounts

Implementation Support

Your implementation support manager, Jessica Lulloff can be reached via email at: jlulloff@hsabank.com and is available to assist with any questions on enrollments, contributions or general information.

If you need immediate assistance, please call our team of specialists at 855-731-5221, Monday-Friday, 7 AM-7 PM, CT

To verify your identity and protect your company's private information, the Business Relations team will need you to provide your company's name and Federal Tax ID or company address. For us to provide you with the best possible servicing experience, please have this information available when contacting Business Relations.